

**Have a Selection Criteria to Help Know When to say NO!**

# Why We Take On Bad Customers?

When a person asks for a price, we often feel grateful to be asked to provide our services. Our ego is being stroked and it feels good, plus we need the work! As a result we take on clients who we intuitively know are less desirable to us in the long run, and are just a potential source of revenue.

Client selection is the single most important way an organization can increase profits, reduce stress and better serve its customers. However, it’s an aspect that many of us overlook.

It should be a goal of yours to identify potential problem customers as early as possible, and then avoid taking them on and learn to say the word **“NO”** Just as important, you should focus your efforts on identifying good customers and bringing them on board.

If you think back to all the customers, you worked with in the past you can almost certainly identify certain common characteristics or criteria of those lousy customers.

With some thought and using past experience, you can develop a specific **client selection criteria**. Identify these criteria and apply them to your screening questions with prospective customers to decide which ones to take on.

# Rating Clients: The A,B,C,D Model

One method of ranking your clients is to rate them: A, B, C, D

“A” clients would be the best: They can afford the services, they pay on time, they appreciate the work you do for them and they send you excellent referrals. You, in turn, really enjoy working with them.

“B” clients would be considered very good but have some minor flaws in a few areas. Maybe they had a previous contractor they parted ways with, amicably or otherwise. Or perhaps they show a medium level of neediness. These are still good clients and well worth taking on.

“C” clients are less desirable. They may show some uncooperativeness, have lower budgets, or show unreasonable expectations.

“D” clients are the nightmare customers you want to avoid at all costs. They complain about your service, the bill, and think they know more than you. They require a disproportionately high amount of attention and need to be avoided form the start or professionally terminated from your portfolio.

# Putting It To Use

Once you have established the appropriate selection criteria for your company, you should then develop a system for putting these criteria to use. Create some good qualifying questions that link to your rating process with your selection criteria. Have these questions be as objective as possible such as location, budget, how many contractors have been used in last 3 years, their motivation. These will allow you to measure the pros and cons of each potential and your existing customers.

This system should be implemented during the very first point of contact with the client—usually over the telephone. Have your salespeople or even some well-trained office staff complete a series of questions of the prospect as they are talking to him or her. This could include asking the potential client for basic information and details of their needs, while simultaneously ranking the client based on each of the client selection criteria.

If your salesperson or staff determines that the client is not a good fit for your company (i.e. a “C” or a “D” client), then the customer should be appropriately referred to other companies in your area that are willing to accept this type of business. If the customer is a potential “A” or “B” client, arrangements should be made for an initial personal meeting where you or your salesperson will determine if this is truly a customer worth going after.

The sooner you get a Customer Selection Criteria in place the sooner you will learn how to say “NO” and feel glad you did! While you make more, enjoy life more and have some fun.